

Consumer Duty

How we're helping our customers by delivering the FCA's requirements

This information is designed to help you understand what Aviva is doing to meet the FCA's Consumer Duty requirements.

We also want to make sure you have what you need to feel confident that you've met your responsibilities under the Duty. To do this, we're producing target market statements for each of our open products and carrying out value for money assessments for all products.

You need to access this information quickly and easily in one place – so we've launched our **Consumer Duty hub**. This is where you'll find the latest news and views around Consumer Duty to help you keep up to date on developments.

We've further enhanced the strong framework which we already have in place in line with the four key customer outcomes that the Duty requires. You can read more about this below:

Embracing the four customer outcomes

Outcome 1 – Products & Services

At Aviva, we're committed to making sure our products and services are only made available to the customers they were designed for. This is central to the spirit of Consumer Duty and an inherent part of the way we do business.

- We've produced target market statements (TMS) for all our open products. These provide information on the types of customers they're designed for, as well as who they aren't intended to support, and the ways we expect our products to be offered to customers.
- If we become aware that a customer falls outside Aviva's target market, we'll take action to reduce or prevent foreseeable harm. The action will vary depending on circumstances, and we'll be sure to let you know if we identify any of your customers in this way. We don't anticipate needing any data from you to help with this identification process, but you should still make sure your own sales are distributed only to each product's target market. We do expect you to inform us if your own distribution reviews indicate that sales are being made outside the target market, or if you have any other concerns. We're always ready to help.
- The TMSs will be available for you to access and view on our Consumer Duty hub.
- We've enhanced our Propositional Management Framework. This underpins the governance for our existing products and services, as well as the development of new propositions. This ensures that what we provide has no adverse effect on target customer segments, while also considering the characteristics of customer vulnerability within the target market.

Outcome 2 – Price & Value

Making sure we give our customers fair value is a key focus at Aviva. The products and services we provide are designed with this in mind.

- We've carried out enhanced value for money assessments across all our products to ensure they do represent fair value.
- You can see the outcomes of the value for money assessments for our open products on our Consumer Duty hub. There is no requirement to publish the assessments for closed products. However, if an assessment shows that actions need to be taken on

a closed product and there is an intermediary associated with the customer, we'll contact you directly.

- We've reviewed our pricing policies for all our products in line with the Duty requirements. If any of our reviews identify foreseeable harm to customers, we'll take appropriate action which may include changing pricing structures.
- Working in close partnership with advisers is at the heart of the way we do business, and this extends to the way we embrace the Duty requirements just as much as other aspects of our work. We have controls around the facilitation of adviser charges, as well as regular governance of decency limits.

Outcome 3 – Consumer Understanding

Our team of customer and marketing experts have developed a new 'Customer Understanding Standard' framework. This will make sure all customer-facing communications – whether in print, digital or for face-to-face formats – comply with the enhanced requirements of the Duty.

The measures described below have been introduced to further enhance the compliant, timely, targeted and engaging programme of communications we issue to our customers today:

- We've expanded the criteria against which we benchmark all our customer-facing communications and outputs. These include consideration of customers in vulnerable situations and behavioural biases. We make sure that each channel and format we employ is appropriate. Every item will be required to 'pass the test' to comply with Consumer Duty requirements.
- We've developed a priority-based approach to effectively implement changes to customer communications in line with the Duty requirements. Those that pose the highest risk of customer detriment, or potential foreseeable harm to customers, will be reviewed first.
- We've also established a new 'Communications Testing and Research Framework' to test a variety of items across written, digital and verbal channels. Feedback on this will allow us to continue improving the quality and effectiveness of customer communications.

Outcome 4 – Customer Support

We've carried out extensive customer journey reviews across Aviva's open and closed products. Journeys that present the highest risk of foreseeable harm to customers – such as financial transactions – were reviewed and changes implemented first.

- We've carried out analysis of complaint root causes, customer service lead indicators (such as claims), and data that identifies frictions and unreasonable barriers. This analysis has been used to identify and improve customer journeys and experiences.
- Our operational processes are designed to identify and support known vulnerable customers, and to make sure we give them the same high levels of customer service. All Aviva operational staff are trained to identify customer vulnerability. Guidance on how to provide effective assistance to them is ingrained within our behaviours.

Our extensive analysis of existing customer journeys, processes and communications highlights any areas where we believe 'foreseeable harms' may occur. This is something that cuts across all our activity, and we're working through plans and actions to address any areas of concern.

Our governance and culture

The way we do things at Aviva

Putting customers at the heart of everything we do is central to Aviva's approach. It's one of our strategic priorities to be the most customer-centric organisation in our sector.

Aviva's values support the delivery of good outcomes for customers – not because we have to, but because it's the right thing to do. So while we aim to ensure that the Consumer Duty and its purpose is firmly embedded into our culture, this only further enforces what is already key to the way we operate.

- We have a structured programme in place to ensure all Aviva workers and our third parties have been trained on Consumer Duty. This emphasises clear understanding on its importance to customers, what it means for Aviva and the industry, and the part we all need to play in delivering against each of the four outcomes.
- Training ranges from board accountability and reporting to all facets of our operations. Pricing, risk, product development, communications, governance, distribution strategy... all of these considerations play their part.
- The way we implement training takes many forms, including mandatory and conduct rules training. It is rolled out through various digital and in-person channels including CBT, webinars, leadership cascades, masterclasses, Q&A drop-in sessions, yammer, emails and intranet content.


Working with you to embrace Customer Duty

We've launched the **Consumer Duty hub** to provide you with information on Consumer Duty, and bring easy access to helpful resources such as videos, articles and Q&As. You can also access key documents on our open products.

If you need any more information, or there's anything you'd like to talk through with us, please get in touch with your usual Aviva contact.

Need this in a different format?

Please get in touch if you'd prefer this document (**SP57701**) in large font, braille, or as audio.

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